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FRANKFORT, Ky. - The Kentucky Department of Insurance has suspended the viatical settlement provider licenses held by a Lexington company and three of its executives, Commissioner Janie A. Miller announced today.

The Department took the action against Kelco, Inc., Stephen L. Keller, Robert Grant Sutherlin, and Sterling Keith Drach, all of Lexington.

The action was taken based on federal indictments handed down July 11. The 47-count indictment charges each individual and Kelco, Inc., with one count of conspiracy to commit mail and wire fraud, eight counts of mail fraud, 14 counts of wire fraud, one count of conspiracy to commit money laundering, 22 counts of money laundering and one count of forfeiture.

A viatical settlement provider is an individual or company who buys a life insurance policy for less than the expected death benefit, becomes the new owner and/or beneficiary of the policy, pays all future premiums and collects the death benefit when the insured dies.